

**FILED**BEFORE THE BOARD OF OIL, GAS & MINING  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAHJAN 13 1998  
SECRETARY, BOARD OF  
OIL, GAS & MINING

In Re Petition Filed by the Division of Oil, Gas & Mining for an Order Requiring Immediate Reclamation of the Drum Mine in Millard County, Utah by Western States Minerals Corporation and Jumbo Mining Company

JOINT STIPULATED MOTION  
AND MEMORANDUM  
IN SUPPORT OF REQUEST FOR  
CONTINUANCEDocket No. 97-009  
Cause No. M/027/007

The Division of Oil, Gas and Mining (the "Division") and Western States Minerals Corporation ("Western States"), by and through their counsel, jointly move the Board of Oil, Gas and Mining (the "Board") pursuant to *Utah Admin. Code* R641-100-300 for a continuance of the hearing, currently scheduled for February 25, 1998, to April 22, 1998, and for certain other modifications of Board's Order for Third Amendment to Pre-hearing Scheduling and Discovery Order, dated October 27, 1997.

The grounds for this motion are:

1. Counsel for the Division, the BLM and Western States have been engaged in settlement discussions designed to reach agreement on the terms of a Reclamation and Settlement Agreement that will provide a comprehensive framework for reclamation of the Western States portion of the Drum mine site. Those discussions have resulted in an exchange of drafts and comments, and all parties to those discussions now anticipate that a negotiated agreement will be obtained in the near future.
2. Simultaneously with these settlement discussions, Western States has submitted a proposed Sampling and Characterization plan that is in the process of being

reviewed by the Division and BLM. Upon approval of that plan, Western States will sample its portions of the site, and based upon the data obtained it will develop and present to the Division and BLM a detailed reclamation plan.

3. On November 7, 1997, Jumbo Mining Co. and Asoma (Utah), Inc. filed petitions for bankruptcy under Chapter 7 of the Bankruptcy Code. Counsel for the Division is in the process of evaluating whether any portions of the scheduled proceedings involving Jumbo and Asoma may be affected by the automatic stay. Counsel may also consult with the bankruptcy trustee and/or judge to confirm that they will not seek any discretionary stay of any proceedings before the Board.
4. The goal of all parties involved in the on-going Western States settlement discussions is to agree upon procedures that will bring about an effective and cost-efficient reclamation of Western States' portions of the Drum mine site. The parties anticipate presenting to the Board (at either its regularly-scheduled January or February meeting) an agreement that will accomplish this goal and result in dismissal of these proceedings against Western States.
5. To further this goal, the Division and Western States jointly request that the currently scheduled hearing be continued until April 22, 1998, and that all interim deadlines established in this Board's October 27, 1997, scheduling order be deferred for sixty (60) days. Should the hearing be deferred beyond April 22, 1998, for any reason, then the parties further request that any interim deadlines be deferred by an equivalent period. These scheduling adjustments will allow the parties to complete their settlement negotiations, and to present a proposed comprehensive settlement agreement to the Board for its consideration, without

the distraction and expense of simultaneously preparing for a hearing that will not be necessary.

6. The requested continuance will also allow the Division to develop a recommended plan for proceeding against Jumbo and Asoma, while ensuring that bankruptcy law does not pose any impediments to such proceedings.

FOR THE FOREGOING REASONS, the Division and Western States jointly move for entry of an Order of this Board: (a) continuing the hearing scheduled in this matter until April 22, 1998; and (b) deferring all interim scheduling deadlines set forth in this Board's Order for Third Amendment to Pre-hearing Scheduling and Discovery Order, dated October 27, 1997, for sixty (60) days, and, if the hearing is deferred beyond April 22, 1998, for an additional period equal to the length of the additional deferral.

Dated this 12<sup>th</sup> day of January, 1998.

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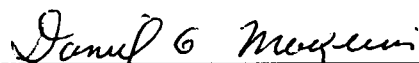
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CERTIFICATE OF SERVICE

I hereby certify that I caused to be mailed, postage prepaid, a true and correct copy of the within and foregoing JOINT STIPULATED MOTION AND MEMORANDUM IN SUPPORT OF REQUEST FOR CONTINUANCE for Docket No. 97-009, Cause No. M/027/007 this 14~~th~~ day of January, 1998, to the following:

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